



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

CLEAN ENERGY

IN THE MATTER OF APPLICATION OF
FERREIRA CONSTRUCTION CO., INC.
FOR FINANCING UNDER THE CLEAN
ENERGY PROJECT FINANCING FOR
BUSINESSES PROGRAM

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)

ORDER

Non-Docketed Matter

(SERVICE LIST ATTACHED)

BY THE BOARD:

On February 9, 1999, the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq. (EDECA or Act) was signed into law. In BPU Docket No. EO02120955, on March 4, 2003, the Board adopted a variety of program guidelines for both residential and non-residential energy efficiency programs. Pursuant to this Order, the Board's Office of Clean Energy (OCE) created a SmartStart Building Program (SmartStart) which incorporated those guidelines. At its February 22, 2006 Agenda meeting, the Board modified its March 4, 2003 Order and directed Staff to amend the SmartStart eligibility requirements consistent with that Order.

The Clean Energy Project Financing for Businesses Program offers low-interest loans for businesses that need to finance energy efficiency upgrades and renewable energy installations at their facilities. The program allows businesses to save money by financing their energy improvements with Board assistance, and is administered jointly by the New Jersey Board of Public Utilities and the New Jersey Economic Development Authority (EDA). The program encourages New Jersey-based businesses to develop energy improvement plans that use energy efficiency strategies and incorporate onsite renewable energy systems at their facilities. Eligibility for the program is also contingent upon meeting SmartStart requirements.

As noted above, the Board modified its original Order, dated March 4, 2003, at its February 22, 2006 Agenda meeting to expand the category of buildings eligible for Clean Energy Program funding. The Board further directed Staff to amend the SmartStart eligibility requirements consistent with that Order, and created an exemption for good cause for applicants that do not meet the requirements set forth therein.

At present, the Ferreira Construction Company, Inc. (Ferreira) is an applicant for project financing through the Clean Energy Project Financing for Businesses program, which provides funding contingent upon eligibility for SmartStart.

DISCUSSION

On March 3, 2005, Ferreira submitted a program application to the Office of Clean Energy for financing of clean energy measures being installed at its new office building being constructed in Readington Township at 31 Tannery Road. This new building is to replace Ferreira's current maintenance shop, which no longer meets its needs. The building will include "pre-engineered" energy efficient designs as well as a new solar PV system. In addition, EDA reviewed Ferreira's business and financial information and gave the project a favorable loan recommendation on January 4, 2006, subject to conditions. To fund the total project, Yardville National Bank will provide a \$3,186,820 loan on condition that the BPU participates with an additional \$375,819.50 loan. Ferreira has also received approval for a Customer Onsite Renewable Energy (CORE) program rebate in an amount not to exceed \$873,437.50 for the solar photovoltaic portion of the project.

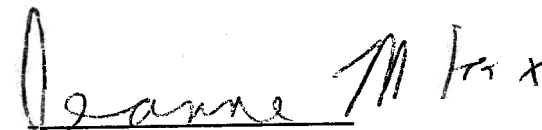
Ferreira currently meets all requirements necessary to qualify for funding under the Clean Energy Project Financing for Business Program. In particular, the Office of Smart Growth in the Department of Community Affairs has confirmed that the property at issue is located in Planning Area 2 of the State Development and Redevelopment Plan, which is an area designated for growth. The terms and conditions of the loan would be those set forth in the Clean Energy Project Financing for Business Program policies and requirements, which are applicable to all loan recipients under this program, and are memorialized in a loan agreement executed between Ferreira and EDA, which is incorporated by reference herein. Because Ferreira meets all applicable requirements for a loan under the aforementioned program, and because the financing sought by Ferreira furthers the clean energy goals of this Board, Staff recommends that the Board approve the aforementioned loan.

FINDINGS AND CONCLUSIONS

Based on the foregoing, the Board HEREBY FINDS that the Ferreira Construction Company, Inc. has met all applicable eligibility requirements for project financing under the Clean Energy Project Financing for Businesses Program, and HEREBY AWARDS Ferreira Construction Company, Inc. financing in accordance with the terms and conditions set forth herein.

DATED: 4/12/06

BOARD OF PUBLIC UTILITIES
BY:

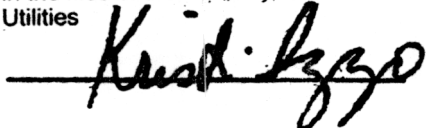

JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER


CONNIE O. HUGHES
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

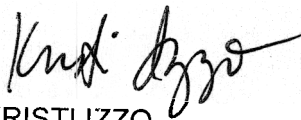
I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



I respectfully dissent from the majority's ruling on this matter because I was not fully briefed on this particular item and therefore am unable to make an informed decision on this matter. My vote is not intended in any way to reflect negatively on the Board's Clean Energy programs.


CHRISTINE V. BATOR
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY